

**Referred Question No. 1**

(Referred to the People by the General Assembly)

**(Popular Name)**

TO INCREASE THE STATEWIDE UNIFORM RATE OF AD VALOREM PROPERTY TAX FOR MAINTENANCE AND OPERATION OF SCHOOLS BY THREE (3) MILLS, FROM TWENTY-FIVE (25) MILLS TO TWENTY-EIGHT (28) MILLS.

**(Ballot Title)**

"TO INCREASE THE ESTABLISHED UNIFORM RATE OF AD VALOREM PROPERTY TAX UNDER AMENDMENT 74(b)(1) OF THE ARKANSAS CONSTITUTION BY THREE (3) MILLS FROM TWENTY-FIVE (25) MILLS TO A TOTAL OF TWENTY-EIGHT (28) MILLS BY AMENDING ARKANSAS CODE TITLE 26, CHAPTER 80, SUBCHAPTER 2 TO ADD A NEW SECTION TO READ AS FOLLOWS:

26-80-208. Uniform rate of ad valorem property tax.

(a)(1) There is established a uniform rate of ad valorem property tax of twenty eight (28) mills to be levied on the assessed value of all taxable real, personal, and utility property in the state to be used solely for maintenance and operation of the schools.

(2) The established uniform rate of ad valorem property tax of twenty-eight (28) mills is equal to the twenty-five (25) mills levied under Arkansas Constitution, Amendment 74, and an additional three (3) mills levied under this section.

(3)(A) Except as provided in this subdivision (a)(3) the additional three (3) mills levied under this section shall not be an additional levy for maintenance and operation of the schools but shall replace a portion of the existing rate of tax levied by each school district available for maintenance and operation of schools in the school district. The rate of tax available for maintenance and operation levied by each school districts on the effective date of this section shall be reduced to reflect the levy of the uniform rate of tax.

(B)(i) If the rate of tax available for maintenance and operation levied by a school district on the effective date of this section exceeds twenty-eight (28) mills, the excess rate of tax shall continue to be levied by the school district until changed pursuant to Amendment 74 of the Arkansas Constitution.

(ii) If the rate of tax available for maintenance and operation levied by a school district on the effective date of this section is less than twenty-eight (28) mills, the uniform rate of tax of twenty-eight (28) mills shall nevertheless be levied in the district.

(b)(1) This section shall be effective January 1, 2005.

(2) The uniform rate of ad valorem property tax of twenty-eight (28) mills shall apply beginning with the assessment of property in 2004 for which taxes are collected in 2005."

**FOR** increasing the established uniform rate of ad valorem property tax by three (3) mills from twenty-five (25) mills to a total of twenty-eight (28) mills.

**AGAINST** increasing the established uniform rate of ad valorem property tax by three (3) mills from twenty-five (25) mills to a total of twenty-eight (28) mills.